

PROGRAM OPPORTUNITY NOTICE

Renewable Natural Gas Transportation Fuel Production Systems with Value Added Co- Products/Benefits



PON-12-506

<http://www.energy.ca.gov/contracts/index.html>

State of California

California Energy Commission

December 2012

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PIER General, University of California, and National Laboratory Terms and Conditions can be viewed at: www.energy.ca.gov/contracts/index.html.

I. Introduction

PURPOSE OF PON

This is a competitive grant solicitation sponsored by the California Energy Commission's Public Interest Energy Research (PIER) Transportation Program to accelerate research, development and demonstration (RD&D) of advanced technologies that produce renewable natural gas (RNG) transportation fuels through the use of technologies that are novel, innovative, and generate economically significant co-products and/or co-benefits for California.

KEY ACTIVITIES AND DATES

Key activities including dates and times for this PON are listed below. An addendum will be released if the dates change for the asterisked (*) activities.

ACTIVITY	ACTION DATE
PON Release	December 17, 2012
Deadline to Submit Written Questions (by 5:00 p.m.)*	January 3, 2013
Pre-Application Workshop*	January 3, 2013
Anticipated Distribution of Questions/Answers and PON Addenda (if any)	January 11, 2013
Deadline to Submit Applications (by 3:00 p.m.)*	February 1, 2013
Anticipated Notice of Proposed Award Posting Date	March 2013
Anticipated Commission Business Meeting Date	May 2013
Anticipated Agreement Start Date	June 2013
Agreement Termination Date	June 30, 2016

AVAILABLE FUNDING AND HOW AWARD IS DETERMINED

Up to \$2,450,000 is available (FY 2011-12 PIER Natural Gas budget) for the agreement resulting from this PON. The Energy Commission anticipates selecting up to five projects to fund with grants, for up to four years each. There are three classes of applicants (private, University of California, and Federal), each of which is eligible to be awarded more than one grant. The California Energy Commission reserves the right to refuse to fund any proposal that does not meet this solicitation's minimum scoring criteria. The Energy Commission also reserves the right to move funding between the classes.

No single applicant may request more than \$820,000 in funding.

- Bench-scale projects are eligible for funding up to \$400,000;
- Working demonstration unit and prototype development projects are eligible for funding up to \$820,000.

Applicants may submit multiple proposals. However, each proposal must be for a distinct, separate project, meaning that applicants may not divide a project into subprojects and receive separate funding for each subproject. Each proposal must be submitted separately, adhering to all requirements contained in this application manual. The Energy Commission reserves the right to modify the Scope of Work and Budget Workbook.

Competitive Solicitation: Applicants will be scored and ranked based on the scoring criteria in Part IV. The highest scoring applicants will receive funding.

The Energy Commission reserves the right to reduce the agreement funding to an amount deemed appropriate if budgeted funds do not provide full funding for Energy Commission agreements. In this event, the Recipient and Commission Agreement Manager (CAM) will meet and reach agreement on a reduced scope of work commensurate with the level of available funding.

II. Eligibility Requirements

ELIGIBLE APPLICANTS

This solicitation is open to three classes of applicants: (1) private sector applicants; (2) University of California (UC) applicants; and (3) federal applicants (e.g., Lawrence Berkeley National Laboratory, Lawrence Livermore National Laboratory, and NASA). **Publicly owned utilities (POUs) are not eligible to receive funds under this solicitation.** Private sector applicants may use UCs as subcontractors.

Each Applicant must agree to use the PIER Grant Terms and Conditions (<http://www.energy.ca.gov/contracts/index.html>) that correspond to its organization. All Applicants other than UC and National Laboratory Applicants must agree to the general PIER Terms and Conditions. Applicants should read their respective PIER Agreement Terms and Conditions carefully, especially the royalty provisions section. Please note, however, that **the Energy Commission reserves the right to modify the Terms and Conditions** prior to executing Grant Agreements.

California Secretary of State Registration

California business entities as well as non-California business entities conducting intrastate business in California are required to register and be in good standing with the California Secretary of State in order to enter into a Funding Agreement with the Energy Commission. If not currently registered with the California Secretary of State, Applicants are encouraged to contact the Secretary of State's Office as soon as possible to avoid potential delays in beginning the project if successful under this solicitation. For more information, visit the California Secretary of State's website at www.sos.ca.gov.

California-Based Entities

Pursuant to California Public Resources Code Section 25620.5(h), the California Energy Commission's PIER Program must give priority to "California-based entities" (CBEs) when making awards.

A CBE is a corporation or other business form organized for the transaction of business that either:

- Has its headquarters in California AND manufactures in California the product that is the subject of the award; OR
- Has an office for the transaction of business in California AND substantially manufactures the product or substantially performs the research within California that is the subject of the award.

Each proposal must include a CBE as defined above as either the recipient or a subcontractor, and Attachment B-2 of the budget must show that at least 60% of PIER funds are allocated to one or more CBEs.

Please see Attachments 11 (California-Based Entity Requirement) and 12 (California-Based Entity Form). Multiple CBEs may be used to meet the 60% requirement. For example, the 60% requirement is met if the recipient CBE receives 31% of PIER funds and the subcontractor CBE receives 29% of PIER funds.

Economic Investment in California

At least 60% of PIER funds must be spent in California on expenses that fall within the categories identified in Attachment B-2 (Category Summary) of Attachment 5 (Budget Forms). These expenses include direct labor, fringe benefits, equipment, materials/miscellaneous, minor subcontractors, indirect overhead, general and administrative costs, and travel costs.

"Spent in California" means that:

- Funds under the "Direct Labor" category and all categories calculated based on direct labor in the B-4 Budget attachments (Prime and Subcontractor Labor Rates) are paid to individuals that pay California state income taxes on wages received for work performed under the agreement.
- Business transactions (e.g., material and equipment purchases, leases, and rentals) are entered into with a business located in California.

Airline ticket purchases and payments made to out-of-state workers do not count as "funds spent in California." However, funds spent by out-of-state workers in California (e.g., hotel and food) count as "funds spent in California."

ELIGIBLE PROJECTS

This solicitation will fund projects that incorporate bench-scale research and development and/or prototype-scale demonstration of advanced technologies that demonstrate the potential to supply renewable natural gas transportation fuels in and for California, while providing value added through co-benefits and co-products associated with their processes. Such value-added components are necessary to enhance the economic viability of RNG technologies in a market where geologically-sourced natural gas is increasingly inexpensive and abundant. Examples of co-benefits and co-products include but are not limited to reduction in waste disposal (e.g., landfilling and associated tipping fees), enhanced water treatment and usable water production, production of fertilizers and soil amendments, and production of animal feeds.

Paper studies are not eligible projects under this grant solicitation.

Advanced technologies will be required to:

1. Yield economically significant co-benefits/ products;
2. Prove suitable for localized, non-pipeline applications;
3. Reduce greenhouse gas (GHG) production compared to conventionally sourced natural gas; and
4. Provide new renewable fuel options for California consumers.

This solicitation also targets technologies for transportation fuels, rather than pipeline natural gas. To this end, renewable natural gas produced would most appropriately be suited for on-site use, private pipeline transportation, or virtual pipeline (tube trailer) transportation to transportation end use applications.

PIER funding must be used for new and unique research and may not be duplicative of existing research. Only those proposals that involve innovative production processes, quantify the economic value of project co-benefits/products, meet the eligibility requirements, and pass the minimum technical score will be considered for funding.

The associated co-benefits/products will be evaluated for their contributions to cost-effective RNG production and to the achievement of GHG reduction and State policy goals.

Examples of acceptable feedstocks include but are not limited to: waste-based biomass (both pre- and post-landfilled), agricultural residues, purpose-grown fuel crops, woody biomass and forest residues, animal manures, food waste, municipal solid waste (MSW), and sewage.

Pathways by which renewable natural gas is to be derived for proposed projects can include fermentation, thermochemical processes, or any other means of producing RNG. The objective of the solicitation is to fund processes represents demonstrable and significant advances over the current state of technology.

For example:

- Biomass fermentation is a known and used technology for generation of methane, and its by/co-products are fairly well established. A process representing significant advancement of fermentation technology would need to demonstrate innovative methods enhancing efficiency or producing new, different, and valuable co-products and co-benefits.
- Several thermochemical approaches to RNG generation currently exist, including but not limited to gasification, hydrogasification, steam hydrogasification, and plasma gasification. A novel process representing significant advances over the current state of technology would need to demonstrate potential for increased efficiency and/or increased economic viability through the combined generation of RNG and co-products/-benefits.

MATCH FUNDING REQUIREMENTS

Match funding for this solicitation is encouraged but not required for selection.

PRE-APPLICATION WORKSHOP

There will be one Pre-Application Workshop. Participation in this meeting is optional but encouraged. The Pre-Application Workshop will be held through in-person participation, WebEx, and conference call at the date, time, and location listed below. Please call (916) 654-4381 or refer to the Energy Commission's website at www.energy.ca.gov/contracts/index.html to confirm the date and time.

January 3, 2013
10:00 a.m., Pacific Standard Time (San Francisco, GMT-08:00)
California Energy Commission
Hearing Room A, First Floor
1516 9th Street
Sacramento, CA 95814

Public participation may take place in-person, via WebEx, and/or via conference call.

To join the WebEx meeting, click the following link and enter the meeting number and password provided below:

Topic: Workshop: PON-12-506-Renewable NG Transportation Fuel Prod. Systems w/ Value Added Co-Products/Benefits

Date: Thursday, January 3, 2013

Time: 10:00 a.m., Pacific Standard Time (San Francisco, GMT-08:00)

Meeting Number: 926 837 650

Password: meeting@10

TO JOIN THE MEETING ONLINE (NOW FROM MOBILE DEVICES!)

1. Go to <https://energy.webex.com/energy/j.php?ED=209053487&UID=482255717&PW=NYzlwMzQ0YTk4&RT=MiM0>
2. If requested, enter your name and email address.
3. If a password is required, enter the meeting password: meeting@10.
4. Click "Join".
5. If the meeting includes a teleconference, follow the instructions that appear on your screen.

TO JOIN THE AUDIO CONFERENCE ONLY

To receive a call back, provide your phone number when you join the meeting, or call the number below and enter the access code.

Call-in toll-free number (US/Canada): 1-866-469-3239

Call-in toll number (US/Canada): 1-650-429-3300

Global call-in numbers:

<https://energy.webex.com/energy/globalcallin.php?serviceType=MC&ED=209053487&tollFree=1>

Toll-free dialing restrictions: http://www.webex.com/pdf/tollfree_restrictions.pdf

Access code: 926 837 650

COMPUTER LOGON

1. Please go to <https://energy.webex.com> and enter the unique meeting number: 922 519 490
2. When prompted, enter your information and the following meeting password: meeting@10

NOTE: Access to WebEx meetings is now available from your mobile device. To learn more and access your app, please visit <http://www.webex.com/overview/mobile-meetings.html>

TELECONFERENCE

After logging in on the computer, an AUDIO CONFERENCE BOX will offer you the choice of phone connections:

1. TO HAVE WEBEX CALL YOU BACK: Type your area code and phone number and click "Call Me".
2. TO CALL INTO THE TELECONFERENCE: Use the drop-down box to select "I will call in" and follow the on-screen directions.

3. INTERNATIONAL CALLERS: Click on the “Global call-in number” link in part (2) above.
4. TO LISTEN OVER THE COMPUTER: If you have the needed equipment and your computer is configured, click on “Use Computer Headset” and then “Call Using Computer” to use VoIP (Internet phone).

TELEPHONE ONLY (NO COMPUTER ACCESS):

Call 1-866-469-3239 (toll-free in the U.S. and Canada) and when prompted enter the unique meeting number: 922 519 490. International callers can select their number from <https://energy.webex.com/energy/globalcallin.php>.

TECHNICAL SUPPORT

For help with problems or questions trying to join or attend the meeting, please call WebEx Technical Support at 1-866-229-3239.

System Requirements: To see if your computer is compatible, visit <https://support.webex.com/MyAccountWeb/systemRequirement.do?root=Tools&parent=System> and refer to the WBS 28 section.

Meeting Preparation: The playback of UCF (Universal Communications Format) rich media files requires appropriate players. To view this type of rich media files in the meeting, please check whether you have the players installed on your computer by going to <https://energy.webex.com/energy/systemdiagnosis.php>.

CALENDAR

To add this meeting to your Microsoft Outlook or compatible calendar program, click the following link or copy the link and paste it into your Web browser:

<https://energy.webex.com/energy/j.php?ED=202058897&UID=1423318522&ICS=MI&LD=1&RD=2&SHA2=h1H-LxxSJ/1HfA3Q/B4a38H2iE6Ho7D-kw-cP3MslVw=&ST=1&RT=Mim0>

Thank you for working green by meeting online.
<http://www.webex.com>

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QUESTIONS

During the PON process, questions of clarification about the PON must be directed to the Grants Officer listed in the following section. You may ask questions at the Pre-Application Workshop, and you may submit written questions via mail, electronic mail, and by FAX. However, all questions must be received by 5:00 p.m. on the date listed in the “Key Activities and Dates” table earlier in this solicitation.

Question and answer sets will be e-mailed to all parties who attended the Pre-Application Workshop and provided their contact information on the sign-in sheet. The questions and answers will also be posted on the Commission’s website at: <http://www.energy.ca.gov/contracts/index.html>.

Any verbal communication with a Commission employee concerning this PON is not binding on the State and shall in no way alter a specification, term, or condition of the PON. Therefore, all communication should be directed in writing to the Energy Commission’s Grants Officer assigned to the PON.

CONTACT INFORMATION

Angela Hockaday, Contracts, Grants, and Loans Officer
California Energy Commission
1516 Ninth Street, MS-18
Sacramento, California 95814
Telephone: (916) 654-5186
FAX: (916) 654-4423
E-mail: Angela.Hockaday@energy.ca.gov

III. Application Format, Required Documents, and Delivery

ABOUT THIS SECTION

This section contains the format requirements and instructions on how to submit an application. The format is prescribed to assist the Applicant in meeting State requirements and to enable the Commission to evaluate each application uniformly and fairly. Applicants must follow all Application format instructions, answer all questions, and supply all requested data.

REQUIRED FORMAT FOR APPLICATION

All applications submitted under this PON must be typed or printed using a standard 11-point font, singled-spaced with a blank line between paragraphs. Pages must be numbered and sections titled and printed back-to-back. Spiral or comb binding is preferred and tabs are encouraged. Binders are discouraged. The original application should be bound only with a binder clip.

NUMBER OF COPIES

Applicants must submit the original and 9 copies of the application (Sections 1 and 2, see the "Organize Your Application as Follows" section below).

Applicants must also submit electronic files of the application on [CD-ROM or USB memory stick](#) along with the paper submittal. Only one CD-ROM or USB memory stick is needed. Electronic files must be in Microsoft Word XP (.doc format) and Excel Office Suite formats. Completed Budget Forms (Attachment 5) must be in Excel format. Electronic files submitted via e-mail will not be accepted.

PACKAGING AND LABELING

The original and copies of the application must be labeled "Program Opportunity Notice PON-12-506," and include the title of the application.

Include the following label information and deliver your application in a sealed package:

Contact person's Name, Phone #
Applicant's Name
Street Address
City, State, Zip Code
FAX #

PON-12-506
Contracts, Grants & Loans Office, MS-18
California Energy Commission
1516 Ninth Street, 1st Floor
Sacramento, California 95814

PREFERRED METHOD FOR DELIVERY

An Applicant may deliver an application by:

- U. S. Mail
- In Person
- Courier service

Applications must be delivered **no later than 3:00 p.m.** to the Commission Contracts, Grants and Loans Office during normal business hours and prior to the date and time specified in this PON. In accordance with Public Contract Code section 10344, applications received after the specified date and time are considered late and will not be accepted. There are no exceptions to this law. Postmark dates of mailing, E-mail, and facsimile (FAX) transmissions are not acceptable in whole or in part, under any circumstances.

ORGANIZE YOUR APPLICATION AS FOLLOWS

SECTION 1: Administrative Response

Application Form/Cover Page	Attachment 1 and any addenda
Table of Contents	

SECTION 2: Technical and Cost Application

Project Narrative

Scope of Work (SOW) and Schedule	Attachments 3 and 4 (See also SOW Instructions, Attachment 2).
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Project Team

Budget Forms	Attachment 5
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Prevailing Wage Special Condition	Attachment 7
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Prevailing Wage Compliance Certificate	Attachment 8
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Information on Compliance with Prevailing Wage	Attachment 9
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CEQA Worksheet	Attachment 10
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California-Based Entity Requirement	Attachment 11
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California-Based Entity Form	Attachment 12
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A. Application Form

Applicants must include a complete and signed Application Form shown in Attachment 1. The proposal must include an original Application Form signed by an authorized representative of the Applicant's organization. This signature certifies that all information in the application is correct and complete to the best of the applicant's knowledge AND that the applicant has read the Terms and Conditions and will accept them without negotiation if awarded.

The Application Form shall also include, at a minimum, a project description, project goals, and quantitative and measurable objectives to be achieved.

B. Project Narrative

The Project Narrative must include a detailed description of the proposed project(s), including the entity that will own and operate the proposed project(s), operational goals and objectives of the proposed project(s), and an explanation of how the proposed project addresses each of the scoring criteria. Provide sufficient detail so that reviewers will be able to evaluate the proposal against each of the scoring criteria.

C. Scope of Work and Schedule

Applicants must include a completed Scope of Work and Schedule for each project. Please use the templates contained in Attachments 3 and 4, respectively.

All work must be scheduled for completion by June 30, 2016, including six months of data collection and reporting. Instructions for completing the Scope of Work as well as a sample are included in Attachment 2. **Electronic files for the Scope of Work must be in MSWord.**

Instructions for the Schedule of Products and Due Dates are included in the document template. **Electronic files for the Schedule of Products and Due Dates must be in MS Excel.**

The description of activities proposed in the Project Narrative must conform to the tasks described in the Scope of Work.

D. Project Team

1. Identify, by name, all key personnel assigned to the project, including the project manager, and clearly describe their individual areas of responsibility. The project manager is the one individual responsible for interacting with the Energy Commission Grant Manager on all issues relating to the overall project and coordinating all aspects of work under the project.
2. For each individual, include company name, position title, job description, individual resume (maximum of two pages), and contact information.
3. Include a letter of commitment from key project partners.
4. Provide a list of past projects detailing relevant technical and business experience.

E. Budget Forms

Task Summary	Attachment 5, Att. B-1a
Category Summary	Attachment 5, Att. B-2
Prime Labor Rates	Attachment 5, Att. B-3
Labor Rates for each Subcontractor	Attachment 5, Att. B-3a-e
Prime Non-Labor Rates	Attachment 5, Att. B-4
Non-Labor Rates for each Subcontractor	Attachment 5, Att. B-4a-e
Direct Operating Expenses	Attachment 5, Att. B-5
Match Funding	Attachment 5, Att. B-6
Prime Loaded Hourly Rate Calculation	Attachment 5, Att. B-7
Loaded Hourly Rate Calculation for each subcontractor	Attachment 5, Att. B-7a-e
Rates Summary	Attachment 5, Att. B-8

The Applicant must submit information on **all** of the attached budget forms in Attachment 5, and this will be deemed the equivalent of a formal Cost Application.

Detailed instructions for completing these forms are included at the beginning of Attachment 5.

Rates and personnel shown must reflect rates and personnel you would charge if you were chosen as a grant recipient. The salaries, rates, and other costs entered on these forms become a part of the final agreement. The entire term of the agreement and projected rate increases must be considered when preparing the budget. The rates bid are considered capped and shall not change during the term of the agreement. The Recipient shall only be reimbursed for their **actual** rates up to these rate caps. The hourly rates provided in all B-3s shall be unloaded (before fringe benefits, overheads, general & administrative (G&A) or profit).

All budget forms are required because they will be used for the agreement prepared with the winning Applicant(s).

NOTE: The information provided in these forms will **not** be kept confidential.

Attachment 5, Att. B-7: Loaded Hourly Rate Calculation

This attachment will be used for the purposes of calculating the average hourly rate score under **Ratio of Unloaded Labor Rates to Loaded Labor Rates**, located in the Scoring Criteria Worksheet. The loaded hourly rate is defined as direct labor, fringe benefits, non-labor rates (overhead, general and administrative, etc., as applicable), and profit (if applicable).

1. Use one form for the Applicant (Prime Recipient) and one for each subcontractor. Insert your company or organization name at the top of the form.
2. For each staff person from this company or organization that will be directly billed to this Agreement:
 - Provide the job classifications or title.

Insert the unloaded hourly rates in the direct labor column. You must use the rates provided on Forms **B-3 and B-4** for your company or organization when calculating the loaded hourly rates. Follow the instructions on the form, Attachment **B-7**, Loaded Hourly Rate Calculation, in budget workbook.

F. Budget Information

1. All project expenditures (match share and reimbursable) must be expended within the approved term of the funding agreement. The requirements for match share funding are included earlier in this solicitation.
2. The Budget should allow for the expenses of a Kick-off Meeting, at least one (1) Critical Project Review meeting, and a Final meeting. It is anticipated that meetings will be conducted at the Energy Commission located in Sacramento, CA.
3. Applicants should budget for items such permits and insurance. The Energy Commission will not pay for permitting, but it should be accounted for in match share.
4. The Budget should allow for the preparation and submission of monthly/quarterly progress reports (1-2 pages each) during the approved term of the agreement, and a Final Report. Instructions for preparing the Final Report will be provided to successful Applicants.

5. The purchase of equipment (defined as items with a unit cost greater than \$5,000 and a useful life of greater than one year) with Energy Commission funds will require disposition of purchased equipment at the end of the project. Typically, Grant Recipients may continue to use equipment purchased with Energy Commission funds if the use is consistent with the intent of the original Grant Agreement. *There are no disposition requirements for equipment purchased with match share funding.*
6. The Budget must reflect estimates for **actual** costs to be incurred during the approved term of the project. The Energy Commission can only approve and reimburse for actual costs that are properly documented in accordance with the Grant Terms and Conditions.
7. The Budget must **NOT** include any profit from the proposed project, either as a reimbursed item or as match share. Please review the Grant Terms and Conditions for additional restrictions and requirements.
8. In addition to cost forms, Applicants must submit letters of commitment identifying the source(s) and availability of match funding.

G. CEQA Compliance Form

Applicants must complete Attachment 10. The Energy Commission requires the information on this form to assist its determination under the California Environmental Quality Act (Pub. Resource Code Section 21000 et.seq).

H. Prevailing Wage Special Condition

This condition identifies prevailing wage compliance requirements.

I. Prevailing Wage Compliance Certificate

If the project requires payment of prevailing wages, the Recipient must: (1) complete and sign this certificate; and (2) obtain signatures from all of its contractors and any subcontractors involved in public works funded by this Agreement.

J. Information on Compliance with Prevailing Wages

This question and answer form clarifies the prevailing wage compliance requirement.

K. California – Based Entity Questionnaire Form

Please see Attachment 12 for further details.

IV. Evaluation Process and Criteria

ABOUT THIS SECTION

This section explains how applications will be evaluated. It describes the evaluation stages, preference points, and scoring of all applications.

APPLICATION EVALUATION

Applications will be evaluated and scored based on their response to the information requested in this PON. The entire evaluation process from receipt of applications to posting of the Notice of Proposed Award is confidential.

To evaluate all Applications, the Energy Commission will organize an Evaluation Committee. The Evaluation Committee may consist of Energy Commission staff or staff of other California state entities.

The Applications will be evaluated in two stages:

Stage One: Administrative and Completeness Screening

The Grants Office will screen Applications for compliance with proposal requirements and the Grounds for Rejection sections of this solicitation. Applications that fail Stage One shall be disqualified and eliminated from further evaluation.

Stage Two: Technical and Cost Evaluation of Applications

Applications passing Stage One will be submitted to the Evaluation Committee to review and score based on the Scoring Criteria in this solicitation.

During the evaluation and selection process, the Evaluation Committee may schedule a clarification interview with an Applicant that will either be held by telephone or in person at the Energy Commission for the purpose of clarification and verification of information provided in the application. However, these interviews may not be used to change or add to the contents of the original Application. Applicants will not be reimbursed for time spent answering clarifying questions.

The total score for each Application will be the average of the combined scores of all Evaluation Committee members.

A minimum score of 70 percent is required for the application to be eligible for funding.

The Energy Commission will propose awards, starting with the highest ranked project.

SCORING SCALE

Using this Scoring Scale, the Evaluation Committee will score each criterion described in the Scoring Criteria Worksheet.

% of Possible Points	Interpretation	Explanation for Percentage Points
0%	Not Responsive	Response does not include or fails to address the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
25%	Minimally Responsive	Response minimally addresses the requirements being scored. The omission(s), flaw(s), or defect(s) are significant and unacceptable.
50%	Inadequate	Response addresses the requirements being scored, but there are one or more omissions, flaws, or defects or the requirements are addressed in such a limited way that it results in a low degree of confidence in the proposed solution.
70%	Adequate	Response adequately addresses the requirements being scored. Any omission(s), flaw(s), or defect(s) are inconsequential and acceptable.
80%	Good	Response fully addresses the requirements being scored with a good degree of confidence in the Applicant's response or proposed solution. No identified omission(s), flaw(s), or defect(s). Any identified weaknesses are minimal, inconsequential, and acceptable.
90%	Excellent	Response fully addresses the requirements being scored with a high degree of confidence in the Applicant's response or proposed solution. Applicant offers one or more enhancing features, methods or approaches exceeding basic expectations.
100%	Exceptional	All requirements are addressed with the highest degree of confidence in the Applicant's response or proposed solution. The response exceeds the requirements in providing multiple enhancing features, a creative approach, or an exceptional solution.

NOTICE OF PROPOSED AWARD

The results of the Energy Commission's decision of proposed funding level, the rank order of proposers, and the amount of each proposed award will be posted in a Notice of Proposed Awards (NOPA). The Commission will post a NOPA at the Commission's headquarters in Sacramento and on the Commission's website, and will mail the NOPA to all parties that submitted an application.

DEBRIEFINGS

Unsuccessful Applicants may request a debriefing after the release of the NOPA. A request for debriefing must be received no later than 15 days after the NOPA is released.

SCORING CRITERIA

Scoring Criteria	Possible Points
TECHNICAL SCORE The proposal must explain how the Applicant meets the requirements of each criterion listed below.	
Technical Merits <ul style="list-style-type: none"> • Demonstration of an understanding of the current status of technologies related to the purpose of this Program Opportunity Notice (PON). • Adequacy of discussion of: (1) the sustainability and originality of the proposed project; (2) any project co-products/benefits; (3) how the project will develop renewable natural gas production systems with co-products/ benefits; (4) the scientific and technical principles underlying the proposed work; and (5) the manner in which the scientific and engineering principles will be applied • Validity of the proposed technical approach and its likelihood of success based on the soundness of scientific principles employed in the proposed work • Adequacy of discussion of how the proposed work addresses current barriers and knowledge gaps to help advance the state-of-the-art in sustainable and renewable fuels • If the project involves modifying existing technology, include a thorough description of the modification and the expectations for improvement 	20
Technical Approach <ul style="list-style-type: none"> • Degree to which the technical approach is clearly stated, technically and economically feasible, and responsive to the PON. • Extent to which the technical tasks are clearly and logically presented. Technical tasks should include appropriate objectives, logical and discrete tasks and subtasks, a logical sequence of activities, and a feasible schedule • Clarity of statement of quantitative or measurable technical and economic performance goals • Adequacy of evaluation of estimated land use and water resource impacts • Adequacy of discussion of the likelihood of both R&D project success and future commercial success based upon a sound research methodology and plan • Degree to which the technical approach is demonstrably unique or innovative 	20
Technical Qualifications, Management and Project Team <ul style="list-style-type: none"> • Evidence of organizational experience, knowledge, capabilities, and performance records that demonstrate the ability to successfully complete the proposed project • Evidence that the Project Manager can successfully manage the project, control cost, maintain the schedule, and report results and accomplishments in an effective manner • Clear presentation of team members' capabilities and experience with regard to performance of the proposed work 	10

Potential Market Applications and Commercialization Strategies <ul style="list-style-type: none">• Adequacy of discussion and analysis of cost competitiveness potential with respect to conventional petroleum-based transportation fuels in near-, mid-, and long-term scenarios• Adequacy of modeling and projection of value added through co-products/ benefits (the Scope of Work must include a task that articulates evaluation of the cost of RNG production with consideration to the value added co-benefits and co-products. Assumptions must be provided with the analysis.)• Adequacy of discussion of reasonable paths and strategies towards commercialization	10
Budget and Cost Effectiveness <ul style="list-style-type: none">• The project cost is consistent with the work to be performed and is justified• The PIER funding request, match funding, and need for PIER funding are appropriate and consistent with the expected level of public and private benefits if the project is successful. In general, the greater the private benefits are anticipated and expected to be, the greater the percentage of match share that is contributed towards the project• The degree to which the project requires PIER funding rather than funding from competitive or regulated markets• Explanation of the reasonableness of the total budget relative to the scope of work.• Explanation and justification of the reasonableness of the requested PIER funds relative to the benefits to California.• Explanation of how the applicant will maximize funds for research, development and/or demonstration, and minimize expenditure of funds for administration and overhead.	10
Ratio of Unloaded Labor Rates to Loaded Labor Rates <p>The Score for this criterion will be derived from the Rates Summary worksheet (Attachment B-8) in the Budget Forms (Attachment 5), which compares the weighted unloaded rate to the weighted loaded rate. This ratio, as a percentage, is multiplied by the possible points for this criterion. [Fill in budget worksheets B-1 through B-6 for the Prime Contractor and all major subcontractors. Sheets B-7 and B-8 will fill in automatically. Applicants must include all possible classifications on Attachment B-3, as no new classifications may be added during the term of the agreement.]</p>	10
Economic Investment in California <p>Provide, within the budget workbook (Attachment 5, Att. B-2), a breakout of PIER funds that will be spent in California. Points will be assigned for amounts 60% or over spent in California according to the following scale:</p> <p>=60% - 61% = 10 points >61% - 70% = 12 points >70% - 80% = 14 points >80% - 90% = 16 points >90% - 94% = 18 points >94% - 100% = 20 points</p>	20
Total Possible Points	100
Minimum Passing Score (70%)	70

V. Administration

PON DEFINED

The competitive method used for this funding opportunity is a Program Opportunity Notice (PON). “PON” and “solicitation” are used interchangeably. An Application submitted in response to this PON will be scored and ranked based on the Scoring Criteria.

DEFINITIONS OF KEY WORDS

Important definitions for this PON are presented below:

Word/Term	Definition
State	State of California
Energy Commission	California Energy Commission
PON	Program Opportunity Notice, this entire document
Application	Formal written response to this document from Applicant
Applicant	Respondent to this PON
CAM	Commission Agreement Manager
GO	Grants Officer

COST OF DEVELOPING APPLICATION

The Applicant is responsible for the cost of developing an application, and this cost cannot be charged to the State.

CONFIDENTIAL INFORMATION

The Commission will not accept or retain any Applications that mark information as confidential (see the “Grounds to Reject” section below). Applicants are strongly discouraged from requesting confidential treatment for any of the information contained in a submittal.

PON CANCELLATION AND AMENDMENTS

It is the policy of the Energy Commission not to solicit proposals unless there is a bona fide intention to award an Agreement. However, if it is in the State’s best interest, the Energy Commission reserves the right to do any of the following:

- Cancel this PON;
- Revise the amount of funds available under this PON;
- Amend this PON as needed; or
- Reject any or all Applications received in response to this PON.

If the PON is amended, the Energy Commission will send an addendum to all parties who requested the PON and will also post it on the Energy Commission’s Web Site www.energy.ca.gov/contracts.

ERRORS

If an Applicant discovers any ambiguity, conflict, discrepancy, omission, or other error in the PON, the Applicant shall immediately notify the Commission of such error in writing and request modification or clarification of the document. Modifications or clarifications will be given by written notice to all parties who requested the PON, without divulging the source of the request for clarification. The Commission shall not be responsible for failure to correct errors.

MODIFICATION OR WITHDRAWAL OF APPLICATION

An Applicant may, by letter to the Contact Person at the Energy Commission, withdraw or modify a submitted Application before the deadline to submit applications. Applications cannot be changed after that date and time. An Application cannot be “timed” to expire on a specific date. For example, a statement such as the following is non-responsive to the PON: “This application and the cost estimate are valid for 60 days.”

IMMATERIAL DEFECT

The Energy Commission may waive any immaterial defect or deviation contained in an Applicant’s application. The Energy Commission’s waiver shall in no way modify the application or excuse the successful Applicant from full compliance.

DISPOSITION OF APPLICANT’S DOCUMENTS

On the Notice of Proposed Award posting date all applications and related material submitted in response to this PON become a part of the property of the State and public record. Applicants who want any work examples they submitted with their applications returned to them shall make this request and provide either sufficient postage or a Courier Charge Code to fund the cost of returning the examples.

APPLICANTS’ ADMONISHMENT

This PON contains the instructions governing the requirements for a firm quotation to be submitted by interested Applicants, the format in which the technical information is to be submitted, the material to be included, the requirements that must be met to be eligible for consideration, and Applicant responsibilities. Applicants must take the responsibility to carefully read the entire PON, ask appropriate questions in a timely manner, submit all required responses in a complete manner by the required date and time, make sure that all procedures and requirements of the PON are followed and appropriately addressed, and carefully reread the entire PON before submitting an application.

GROUND TO REJECT AN APPLICATION

An Application shall be rejected if:

- It is received after the exact time and date set for receipt of applications as identified on page 1 (Public Contract Code, Section 10344).
- It contains false or intentionally misleading statements or references that do not support an attribute or condition contended by the Applicant.
- It is intended to erroneously and fallaciously mislead the State in its evaluation and the attribute, condition, or capability is a requirement of this PON.
- It contains confidential information.
- It is submitted by a Publicly-Owned Utility.

- The Applicant does not agree to the terms and conditions attached to the solicitation, either by not signing the Recipient Status Form or by stating anywhere in the bid that acceptance is based on modifications to the terms and conditions or on separate terms and conditions.
- The budget does not include a CBE as a recipient or subcontractor.
- Attachment B-2 of the budget does not allocate at least 60% of funds to CBEs.
- Attachment B-2 of the budget does not document how at least 60% of PIER funds will be spent in California.

An Application may be rejected if:

- It is not prepared in the mandatory format described.
- It is unsigned.
- The firm or individual has submitted multiple applications for each task.
- It does not literally comply or contains caveats that conflict with the PON and the variation or deviation is not material, or it is otherwise non-responsive.
- The Applicant has previously completed a PIER agreement, received the PIER Royalty Review letter (which the Commission annually sends out to remind past recipients of their obligations to pay royalties), and has not responded to the letter or is otherwise not in compliance with repaying royalties.
- The budget forms are not filled out completely.

AGREEMENT REQUIREMENTS

The content of this PON shall be incorporated by reference into the final agreement. See the sample Agreement terms and conditions included in this PON.

The Energy Commission reserves the right to negotiate with Applicants to modify the project scope, the level of funding, or both. If the Energy Commission is unable to successfully negotiate and execute a funding agreement with an Applicant, the Energy Commission, at its sole discretion, reserves the right to cancel the pending award and fund the next highest ranked eligible project.

The Grant Agreement will be scheduled and heard at an Energy Commission Business Meeting for approval.

Public agencies that receive funding under this solicitation must provide an authorizing resolution approved by their governing authority to enter into an Agreement with the Energy Commission. The resolution must designate an authorized representative to sign.

The Energy Commission will send the approved Grant Agreement, including the general Terms and Conditions and any additional terms and conditions, to the grant recipient for review, approval, and signature. Once the grant recipient signs, the Energy Commission will fully execute the Grant Agreement. Recipients are approved to begin the project only after full execution of the Grant Agreement.

No Agreement Until Signed and Approved

No agreement between the Commission and the successful Applicant is in effect until the agreement is signed by the Recipient, approved at a Commission Business Meeting, and signed by an Energy Commission representative.

The Energy Commission reserves the right to modify the award documents prior to executing the agreement.

Agreement Amendment

The agreement executed as a result of this PON will be able to be amended by mutual consent of the Commission and the Recipient. The agreement may require amendment as a result of project review, changes and additions, changes in project scope, or availability of funding.

PAYMENT OF PREVAILING WAGES

Some projects under this solicitation might be considered public works pursuant to the California Labor Code. If the project is a public work, prevailing wage is required. The California Department of Industrial Relations (DIR) has jurisdiction to decide whether a particular project is or is not a public work. If the project involves construction, alteration, demolition, installation, repair or maintenance work, it probably would be considered by DIR to be a public work. Examples of the activities that would probably lead DIR to find that the project involves public works include: cement work, site preparation such as grading, surveying, electrical work such as wiring, and carpentry work. Certain workers are entitled to prevailing wage, such as operating engineers, surveyors, carpenters, laborers, etc. However, other workers are not subject to State prevailing wage laws, such as design or pre-construction engineers or project superintendent who do not perform work on the projects.

Applicants must determine if the proposed project(s) involve(s) public works, and ensure that the project budget for labor reflects all prevailing wage requirements. The budget should indicate which job classifications are subject to prevailing wage.

In order to determine if the proposed project(s) involve(s) public works, please contact DIR as advised in Attachment 6. If the Applicant is unsure whether the proposed project(s) involve(s) public works and has not received a determination from DIR that the project is not a public work, the Applicant is advised to prepare a budget assuming that prevailing wage laws apply.

If the proposed project is a public work, or is assumed to be a public work, the Applicant can contact DIR for a list of covered trades and the applicable prevailing wage. Any agreement resulting from this solicitation will include the requirements for a public works project, such as paying prevailing wage, keeping payroll records, complying with working hour requirements, and apprenticeship obligations. See the sample terms and conditions, the Special Condition regarding Prevailing Wage Compliance (Attachment 7), and Prevailing Wage Compliance Certification Form (Attachment 8).

For detailed information about prevailing wage and the process to determine if the proposed project(s) is a public work, see the Prevailing Wage Compliance Questions and Answers (Attachment 6).